

THE STATE OF TEXAS )(

COUNTY OF LAVACA )(

The Lavaca County Commissioners' Court met in a Special Called Meeting on Monday, December 30th, 2013 at 10:00 A.M. in the Lavaca County Commissioners' Courtroom, 1<sup>st</sup> Floor, in Hallettsville, Texas with Judge Tramer J. Woytek presiding and with Commissioner Edward Pustka, Pct. 1, Commissioner Ronald Berckenhoff, Pct. 2, Commissioner R. W. Brown, Pct. 3, and Commissioner Dennis W. Kocian, Pct. 4 all being present. Others in attendance were: Shana R. Opela, Deborah A. Sevcik, Jim Appelt, Karen Bludau, Billy Goodrich, Elizabeth A. Kouba & Barbara Steffek.

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Public Hearing and Public Comment on the following topics:

1. The Potential Boundaries and requirements of one or more County Energy Transportation Reinvestment Zone(s) (CETRZ), as authorized 222.1071 of the Texas Transportation Code.
2. Whether or not to create one or more County Energy Transportation Reinvestment Zone (CETRZ), as authorized by law, to promote one or more infrastructure projects to be located within the CETRZ.

Judge Tramer Woytek opened the Public Hearing and discussion was held on the creation of a County Energy Transportation Zone (CETRZ) to meet the Texas Department of Transportation requirements. The Texas Legislature appropriated \$225 million for county transportation project grants. Lavaca County is eligible for \$881,662.00 in grant funds. One of the grant requirements is that the county create a County Energy Transportation Reinvestment Zone. The CETRZ will not increase or decrease taxes. Any CETRZ funds will be utilized on transportation projects within the county. At least 30 days after this hearing, the Commissioner's Court will meet again to create the CETRZ and appoint a CETRZ Advisory Board and determine the TxDot Grant projects. The TxDot Application with the CETRZ order must be submitted by February 14, 2014.

The Eagle Ford Shale Oil & Gas project that has been going on in our area and there has been a lot of damage to county roads. Some of the counties surrounding us have received more damage than we have, but we are included in that area. Counties across the state have requested that the Legislature look at this and try to get the counties some assistance based on tax money that the State receives from these wells. The answer that the Legislature came back with was this TxDot Grant Fund Project. They earmarked \$225 million for Texas counties. They came up with a formula on how this money would be distributed: 50% of the formula is based on well completion in the preceding year in your county. 20% of the formula attributes to overweight truck permits for your county. 20% of the formula comes from oil & gas severance taxes that are paid from your county directly to the state. 10% of the formula is based on injection well volume in your county. All of the counties in the state of Texas have some allocation. If we do not seek this money, the money will be distributed to the counties that do apply.

In order for us to go through this process, we must create a CETRZ pursuant to Transportation Code. We must publish Notice of Public Hearing and hold a Public Hearing. An Order must be adopted 30 days after the Public Hearing and an Advisory Board must be appointed. (Members up to 3 from the oil & gas industry and 2 or 3 from the general public. We must prepare a plan that provides a List of Projects to be funded by the grant. (At least one project in Zone, but a list of projects exceeding grant allocation by 100%). We must describe the scope of the project using best practices to prioritize projects and we must identify the source of Matching Funds (10% for disadvantaged counties and 20% for all others.). A Road Condition Report must be provided for

the previous year which is described by Section 51.018:

- A. The condition of each road, culvert and bridge in each precinct, and cause of degradation.
- B. Amount of money necessary for maintenance in the coming year.
- C. The number of traffic control devises defaced or down.
- D. Any new road that should be opened in the precinct.
- E. Any bridges, culverts or other improvements required to place roads in good condition, and cost to accomplish.
- F. A report shall be filed in the minutes of Commissioner Court and considered in the next budget
- G. Filed with Grand Jury with any contracts.

County Auditor, Shana Opela highly recommended that the Commissioner's Court designate a small area so that the General Fund does not suffer. In the last couple of years the General Fund has maintained its self reliance as far as tax revenue coming in, but it cannot afford to give money away only specifically for transportation. Maybe in the future that can change, but as of now it can't.

The general area that the court is considering is North of FM 1891; east of Hwy 95; and South of FM 340; with the southern boundary to also include CR 190.

The Commissioner's Court may, 30 days after closing the Public Hearing, take appropriate action on the matter, as the Commissioner's Court may in its discretion determine to be in the best interest of the County.

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Motion to Adjourn.

**STATEMENT OF APPROVAL**

**THE STATE OF TEXAS ]**

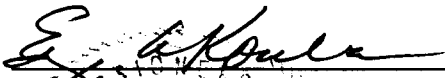
**COUNTY OF LAVACA ]**

**WE, the COUNTY JUDGE, and COMMISSIONERS of  
LAVACA COUNTY, TEXAS, majority being present, do hereby certify that the above and  
foregoing Minutes of the Commissioners' Court Meeting dated December 30, 2013 are  
this day approved as submitted.**

**Signed this the 13th day of January, A.D. 2014.**

  
**TRAMER J. WOYTEK, COUNTY JUDGE**

**ACKNOWLEDGED:**

  
**ELIZABETH A. KOUBA, COUNTY CLERK**

